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## **OLR Bill Analysis**

### **sHB 6604**

#### ***AN ACT CONCERNING STUDENT FEES.***

#### **SUMMARY:**

This bill authorizes a nonpartisan student organization at a public higher education institution that intends to lobby or engages a lobbyist to manage and administer the funds received from a voluntary student fee that the institution collects. It establishes requirements that the organization must (1) meet in order to obtain control and (2) follow once it does so.

The bill also modifies the support level that a student government at a public higher education institution must meet in order to acquire or retain control of student activity funds. Additionally, it makes technical changes.

EFFECTIVE DATE: July 1, 2013, except that the technical changes and provisions affecting student government are effective upon passage.

#### **CONTROL OF STUDENT FEES**

##### ***Nonpartisan Organizations That Lobby***

The law allows student governments at public colleges and universities to assume and maintain full control over student activity funds if they prevail in a referendum for this purpose. The bill establishes a parallel process under which a nonpartisan student organization that intends to lobby or engages a lobbyist can manage and administer funds received from a voluntary student fee that the institution collects.

Under the bill, the organization must prevail in a referendum in order to obtain control of the funds. The referendum must be held by

secret ballot after 14 days' notice based on a petition signed by at least 5% of the students enrolled at the institution and paying activity fees. The referendum passes if (1) at least 20% of all enrolled students paying activity fees, plus one additional student, vote in favor of it and (2) these students constitute a majority vote in the referendum.

If the referendum is approved, the organization must establish a board of directors to hold hearings on budget requests and expenditures and recommend allocation of the funds. The organization must have an elected treasurer, bonded in an amount set by the State Insurance and Risk Management Board, as one of its officers. The bill requires the organization to (1) file a balance sheet and statement of operations with the Office of Policy and Management secretary whenever the secretary orders it and (2) retain a copy of the balance sheet and statement for auditing purposes.

The bill requires that a referendum on whether to continue the organization's control of the funds be held at least every four years. Requirements for conducting and approving the subsequent referenda are the same as those for the initial referendum. The bill also allows, upon a petition signed by at least 5% of the students enrolled at the institution and paying activity fees, a referendum to discontinue the organization's control of the funds. This referendum must be conducted in the same way as the other referenda, but the bill specifies that the organization loses control of the funds if a majority of those voting in the referenda votes for discontinuation.

If, based on a referendum's results, the organization loses control of the funds, then control reverts to the institution's administration.

### ***Student Government***

The law allows student governments at public colleges and universities to assume and maintain full control over student activity funds if they prevail in a referendum for this purpose. The referendum requirements are generally the same as those that the bill establishes for nonpartisan organizations that lobby, except that a referendum for student government control can also be held upon the student

government's initiative.

Current law requires that the student government receive the support of a majority of at least 40% of the students enrolled and paying activity fees. The bill specifies that the referendum passes if (1) at least 20% of all enrolled students paying activity fees, plus one additional student, vote in favor of it and (2) these students constitute a majority vote in the referendum.

**COMMITTEE ACTION**

Higher Education and Employment Advancement Committee

Joint Favorable Substitute

Yea 20 Nay 0 (03/26/2013)